

PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



Southern California Gas Company
GAS (Corp ID 904)
Status of Advice Letter 5970G
As of May 20, 2022

Subject: Request for Approval of the Relinquishment of Broadband Spectrum Licenses Pursuant to Public Utilities Code Section 851 and General Order 173

Division Assigned: Energy

Date Filed: 04-25-2022

Date to Calendar: 04-29-2022

Authorizing Documents: None

Disposition:	Accepted
Effective Date:	05-19-2022

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Gary Lenart

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GLenart@socalgas.com

PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to
edtariffunit@cpuc.ca.gov



Joseph Mock
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
Tel: 213.244.3718
Fax: 213.244.4957
JMock@socalgas.com

April 25, 2022

Advice No. 5970
(U 904 G)

Public Utilities Commission of the State of California

Subject: Request for Approval of the Relinquishment of Broadband Spectrum Licenses Pursuant to Public Utilities Code Section 851 and General Order 173

Southern California Gas Company (SoCalGas or Utility) respectfully requests approval from the California Public Utilities Commission (Commission or CPUC) under Public Utilities Code Section 851 (Section 851) and General Order (GO) 173 to relinquish certain licenses for SoCalGas' use of narrowband Radio Frequency (RF) channels in exchange for comparable new licenses to facilitate the Federal Communications Commission (FCC) 900MHz band plan described in the FCC's Report and Order (R&O) FCC 20-67.

SoCalGas believes that proposed relinquishment and exchange of FCC licenses as described herein will not adversely affect SoCalGas' use and operation of any of its facilities, and the transaction will not have any impact on ratebase or affect the ability of the Utility to serve its customers or the public.

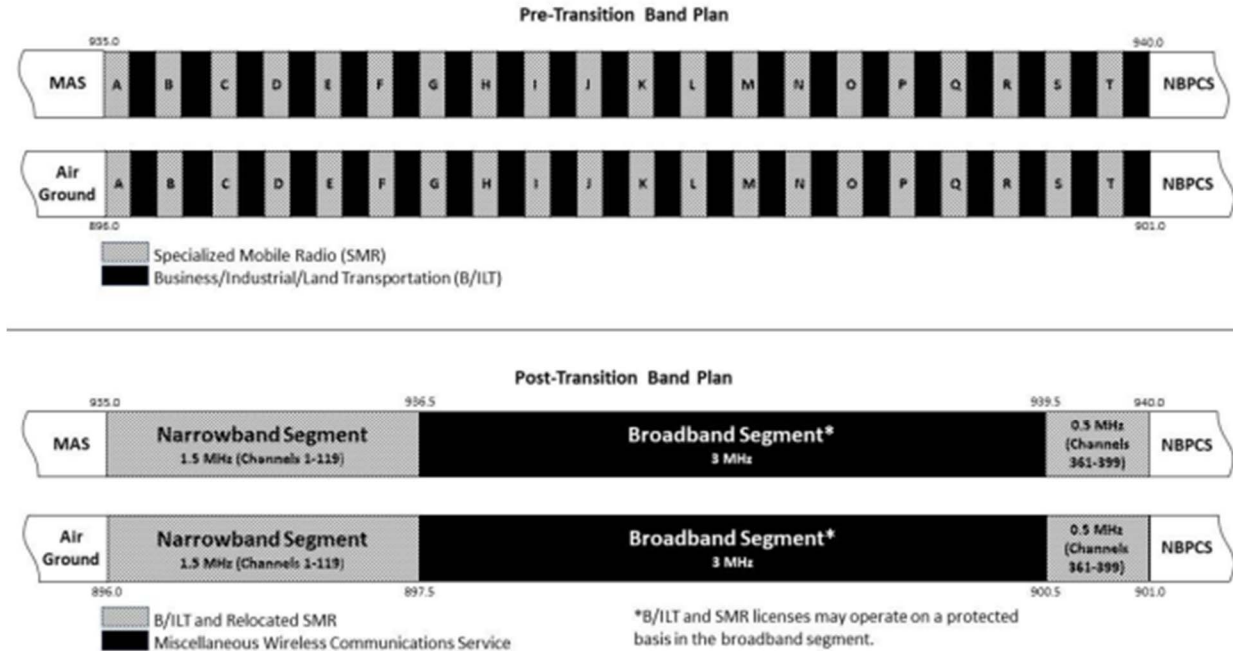
Background

SoCalGas owns and operates wireless communications systems directly supporting natural gas transmission systems at sites throughout its service territory. A number of these sites make use of licensed RF channels in the 896-901/935-940 MHz Band as defined and licensed by the FCC, illustrated below (FCC Spectrum).

On May 14, 2020, the FCC released R&O FCC 20-67 (<https://docs.fcc.gov/public/attachments/FCC-20-67A1.pdf>) in an effort to "realign the 900 MHz band to make available six of the band's ten megahertz for the deployment of broadband services and technologies to meet the ever-increasing spectrum capacity demands of a wide range of industries, including utilities and railroads, and other private land mobile radio services." As shown in the diagram below, the "Pre-Transition Band Plan" consisted of interleaved frequency division duplex (FDD) channel pairs from the

Specialized Mobil Radio service and the Business/Industrial/Land Transportation service. The “Post-Transition Band Plan” moves the narrowband channels to the outside edges of the FCC Spectrum.

900 MHz Band Plan



Other utilities, including SoCalGas’ affiliate, San Diego Gas & Electric Company (SDG&E), are acquiring spectrum within the Broadband Segment of the FCC Spectrum from Anterix Inc. (either directly or through its subsidiary, PDV Spectrum Holding Company, LLC (PDV)) (Anterix).¹ SDG&E’s acquisition of spectrum within the Broadband Segment will allow the development of a communications network to enable mitigation of the effects of wildfires in the areas in which it operates – in particular, the backcountry areas with inadequate communications infrastructure – pursuant to SDG&E’s 2021 Wildfire Mitigation Plan submitted to the Commission.

In conjunction with SDG&E’s acquisition from Anterix, Anterix must clear existing incumbent narrowband users of the Broadband Segment located within 70 miles of SDG&E’s service territory SMR and provide comparable narrowband channels in the Narrowband Segment to those incumbents at Anterix’s expense. Clearing existing incumbents aims to prevent harmful interference for all license holders in the band. SoCalGas is one of the incumbent users affected by this realignment plan. Accordingly, SoCalGas is seeking to exchange nine (9) of its narrowband channels, only five (5) of which are within the 70 mile-clearing area. It is advantageous for SoCalGas to relocate all nine (9) channels to the Narrowband Segment now while channel availability is not constrained. SoCalGas’ FCC Spectrum licenses for channels within the Broadband

¹ Anterix is the largest holder of licensed spectrum in the 900 MHz band throughout the contiguous United States, plus Hawaii, Alaska, and Puerto Rico.

Segment to be relinquished are listed in Attachment A and are referred to herein as the “Relinquished Spectrum.”

Pursuant to the Frequency Relocation Agreement (FRA) between SoCalGas and PDV, dated March 24, 2022, subject to the Commission’s approval of this request, PDV will obtain approval from the FCC to issue to SoCalGas the FCC licenses for certain preferred narrowband channels within the Narrowband Segment selected by SoCalGas and described in the FRA (New Spectrum) and SoCalGas. Once SoCalGas relocates its operations to the New Spectrum, SoCalGas will transfer and assign the Relinquished Spectrum to PDV. Simply put, SoCalGas will essentially be “relocating” its narrowband wireless operations to the reconfigured Narrowband Segment. PDV will issue the New Spectrum to SoCalGas at no cost or expense to SoCalGas, and PDV will pay for all labor costs associated with the relocation of SoCalGas’ operations to the New Spectrum. The New Spectrum will be issued clean and clear of interference and liens and will be quantitatively, qualitatively, and functionally equivalent to the Relinquished Spectrum. Based on the terms and provisions of the FRA, the exchange of the Relinquished Spectrum for the New Spectrum will allow SoCalGas to continue wireless operations without interruption under the Post-Transition Band Plan.

The value of the Relinquished Spectrum is \$3,353,000.00, as determined by a March 17, 2021 appraisal performed by Telecom, Media and Finance Associates, Inc., a Silicon Valley-based company providing technical and financial analysis across the telecom and satellite sectors (TMF Appraisal). The New Spectrum is presumed to have an approximately equivalent value given the requirements set forth in the FRA that the channels that will comprise the New Spectrum are to be both quantitatively, qualitatively, and functionally equivalent to the Relinquished Spectrum.

Information Required under Rules 3 and 4 of GO 173

A. Rule 3 – Requirements

SoCalGas is permitted to submit this Advice Letter seeking Commission approval under Section 851 because the company believes it has satisfied the eligibility requirements set forth in Rule 3 of GO 173 as follows:

3a. The activity proposed in the transaction will not require environmental review by the Commission as Lead Agency under California Environmental Quality Act (CEQA).

SoCalGas believes this transaction is not a “project” under CEQA pursuant to CEQA Guidelines Section 15378.

3b. The transaction will not have an adverse effect on the public interest or on the ability of the utility to provide safe and reliable service to customers at reasonable rates.

The relinquishment of the Relinquished Spectrum will not adversely affect the public interest or SoCalGas' ability to provide safe and reliable service at reasonable rates.

3c. Any financial proceeds from the transaction will be either booked to a memorandum account for distribution between shareholders and ratepayers during the next general rate case or be immediately divided between shareholders and ratepayers based on a specific distribution formula previously approved by the Commission for that utility.

Not applicable. There will be no financial proceeds from the transaction.

3d. If the transaction results in a fee interest transfer of real property, the property does not have a fair market value in excess of \$5 million.

Not applicable. The transaction does not result in a fee interest transfer of real property.

3e. If the transaction results in a sale of a building, the building does not have a fair market value in excess of \$5 million.

Not applicable. The transaction does not result in a sale of a building.

3f. If the transaction is for the sale of depreciable assets, the assets do not have a fair market value in excess of \$5 million.

The Relinquished Spectrum is comprised of FCC licenses (depreciable assets) having an appraised value of approximately \$3,353,000.00, as determined by the TMF Appraisal.

3g. If the transaction is a lease or a lease-equivalent, the total net present value of the lease payments, including any purchase option, does not have a fair market value in excess of \$5 million, and the term of the lease will not exceed 25 years.

Not applicable. The transaction does not involve a lease or lease-equivalent.

3h. If the transaction conveys an easement, right-of-way, or other less than fee interest in real property, the fair market value of the easement, right-of-way, or other interest in the property does not exceed \$5 million.

Not applicable. The transaction does not involve the conveyance of an easement, right-of-way, or other less than fee interest in real property.

3i. The transaction will not materially impact the ratebase of the utility.

SoCalGas will be relinquishing the Relinquished Spectrum in exchange for the New Spectrum at no cost to SoCalGas (including labor costs associated with the relocation of SoCalGas operations to the New Spectrum) and, accordingly, the transaction will not materially impact SoCalGas' ratebase.

3j. If the transaction is a transfer or change in ownership of facilities currently used in regulated utility operations, the transaction will not result in a significant physical or operational change in the facility.

Not applicable. The transaction involves a transfer of FCC licenses and does not involve the transfer or change in ownership of facilities.

3k. The transaction does not warrant a more comprehensive review that would be provided through a formal Section 851 application.

Because the transaction will not impact SoCalGas' operations or ability to provide utility service to the public and will not have an adverse impact on the Utility's ratebase, and further given the equivalent exchange of values and functionality of the Relinquished Spectrum and the New Spectrum, this transaction does not warrant a more-comprehensive review under Section 851.

A. Rule 4 – Requirements

Rule 4 of GO 173 requires that the following information be included in this submission:

4a. Identity and addresses of all parties to the proposed transaction.

“SoCalGas”

Southern California Gas Company
555 W. Fifth Street
Los Angeles, CA 90013

“SDG&E”

San Diego Gas & Electric Company
1320 Calle Avanzado
San Clemente, CA 92673

“Anterix”

Anterix, Inc.
8260 Greensboro Drive, Suite 501
McLean, VA 22101

“PVD”

c/o Anterix Inc.
3 Garret Mountain Plaza, Suite 401
Woodland Park, NJ 07424

4b. A complete description of the property, including its present location, condition, and use.

The Relinquished Spectrum consists of FCC licenses for each of the FCC Spectrum locations identified in Attachment A. The Relinquished Spectrum is used by SoCalGas’ wireless communications systems supporting natural gas transmission systems at sites throughout SoCalGas service territory.

4c. The transferee’s intended use of the property.

The Relinquished Spectrum will be transferred and assigned to PDV for subsequent acquisition by SDG&E for the development of a communications network to enable mitigation of the effects of wildfires in the areas in which SDG&E operates pursuant to SDG&E’s Wildfire Mitigation Plan.

4d. A complete description of the financial terms of the proposed transaction.

The FRA between SoCalGas and PDV requires PDV to acquire the New Spectrum for SoCalGas in exchange for the transfer and assignment of the Relinquished Spectrum to PDV. No monetary consideration will be payable to SoCalGas.

4e. A description of how the financial proceeds of the transaction will be distributed.

Not applicable. There will be no financial proceeds from the transaction.

4f. A statement on the impact of the transaction on ratebase and any effect on the ability of the utility to serve customers and the public.

Pursuant to the FRA, the relinquishment of the Relinquished Spectrum is conditioned upon SoCalGas’ receipt of new licenses for the New Spectrum, which will be issued, at no cost to SoCalGas, clean and clear of interference and liens and will be quantitatively, qualitatively, and functionally equivalent to the Relinquished Spectrum. As contemplated, the exchange of the Relinquished Spectrum for the New Spectrum will allow SoCalGas to continue its wireless operations without interruption under the Post-Transition Band Plan, and will have no effect on the ability of SoCalGas to serve its customers and the public.

4g. For sales of real property and depreciable assets, the original cost, present book value, and present fair market value, and a detailed description of how the fair market value was determined (e.g., appraisal).

The Relinquished Spectrum was acquired by SoCalGas pursuant to various FCC licenses issued approximately 20 years ago, each for a nominal fee at signing and which are considered fully depreciated. While the transaction does not involve the sale of the Relinquished Spectrum, SoCalGas will be exchanging the Relinquished Spectrum for the New Spectrum. The Relinquished Spectrum has a fair market value of approximately \$3,353,000.00, as determined by the TMF Appraisal. The valuation methodology used by TMF Appraisal primarily focused on comparative transaction benchmarks for narrowband spectrum. The New Spectrum is presumed to have an approximately equivalent value, given the requirements set forth in the FRA that the channels that will comprise the New Spectrum are to be both quantitatively and qualitatively equivalent to the Relinquished Spectrum.

4h. For leases of real property, the fair market rental value, a detailed description of how the fair market rental value was determined, and any additional information necessary to show compliance with Rule 3(g) above.

Not applicable. The transaction does not involve a lease of real property.

4i. For easements or rights-of-way, the fair market value of the easement or right-of-way and a detailed description of how the fair market value was determined.

Not applicable. The transaction does not involve an easement or right-of-way.

4j. A complete description of any recent past (within the prior two years) or anticipated future transactions that may appear to be related to the present transaction, such as sales or leases of interests in the same real property or real property that is located near the property at issue or that are being transferred to the same transferee; or for depreciable assets, sales of similar assets or sales to the same transferee.

There are no recent past or anticipated future transactions that are or appear to be related to the relinquishment of the Relinquished Spectrum.

4k. Sufficient information and documentation (including environmental documentation) to show that all of the eligibility criteria stated in Rule 3 above have been met.

As set forth above, SoCalGas believes that all applicable eligibility criteria stated in Rule 3 have been satisfied.

4l. The filing utility may submit additional information to assist in the review of the advice letter, including recent photographs, scaled maps, drawings, etc.

Please see Attachment A.

4m. Environmental Information: If the applicant believes that the transaction is not a Project under CEQA, the applicant shall include an explanation of its position.

SoCalGas believes this transaction is not a “project” under CEQA pursuant to CEQA Guidelines Section 15378.

Protests

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be submitted electronically and must be received within 20 days after the date of this Advice Letter, which is May 15, 2022. Protests should be submitted to the attention of the Energy Division Tariff Unit at:

E-mail: EDTariffUnit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this Advice Letter should also be sent electronically to the attention of:

Attn: Gary Lenart
Regulatory Tariff Manager
E-mail: GLenart@socalgas.com
E-mail: Tariffs@socalgas.com

For questions, please contact Michelle Meghrouni at (213) 244-4809 or via e-mail at: MMeghrouni@socalgas.com.

Effective Date

SoCalGas asserts this submittal is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B. SoCalGas respectfully requests that this submittal become effective May 25, 2022, which is 30 calendar days after the date submitted.

Notice

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list. Address change requests to the GO 96-B service list should be directed via e-mail to Tariffs@socalgas.com or call 213-244-2837. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or via e-mail at Process_office@cpuc.ca.gov.

/s/ Joseph Mock
Joseph Mock
Director - Regulatory Affairs

Attachment



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

ATTACHMENT A

Advice No. 5970

Relinquished Spectrum

ATTACHMENT A
RELINQUISHED SPECTRUM

Call Sign	Licensee	Frequency	Street	City	State	Latitude	Longitude	Expiration
WNQI388	Southern California Gas Company	939.4375	2321 Stanley Ave	Signal Hill	CA	33-47-58.0 N	118-09-47.2 W	11/19/2023
WPFQ769	Southern California Gas Company	939.3875	Near	Lake Elsinore	CA	33-36-08.1 N	117-20-38.1 W	6/23/2025
WPIB369	Southern California Gas Company	939.400	Verdugo Peak	Glendale	CA	34-12-55.0 N	118-16-50.3 W	8/22/2025
WNIT923	Southern California Gas Company	937.9875	Santiago Peak	Corona	CA	33-42-40.4 N	117-32-02.7 W	6/18/2023
WPIB370	Southern California Gas Company	939.400	DOUBLE MOUNTAIN 10 MI S	TEHACHAPI	CA	35-01-57.9 N	118-29-10.3 W	8/22/2025
WNQL686	Southern California Gas Company	939.425	HAUSER MOUNTAIN	PALMDALE	CA	34-32-50.0 N	118-12-46.3 W	12/3/2031
WNQL686	Southern California Gas Company	937.650	10 MI NNW OF CLAREMONT	SUNSET RIDGE	CA	34-11-11.0 N	117-42-06.2 W	12/3/2031
WQXG717	Southern California Gas Company	937.650	MCKITTRICK SUMMIT	MCKITTRICK	CA	35-17-28.3 N	119-45-48.4 W	2/28/2026
WQWW917	Southern California Gas Company	939.4375	SAN JOAQUIN RIDGE	COALINGA	CA	36-17-54.8 N	120-23-55.6 W	12/14/2025
WPKZ446	Southern California Gas Company	900.4375	Statewide		CA			10/20/2022
WPKZ446	Southern California Gas Company	898.9875	Statewide		CA			10/20/2022